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INFO RUEHEE/ARAB LEAGUE COLLECTIVE

UNCLAS ALGIERS 001093

SIPDIS

STATE FOR NEA/RA MKELLY, PASS TO USTR COMMERCE FOR BIS/OIC

E.O. 12958: N/A
TAGS: [KBCT](#) [ECON](#) [ETRD](#) [XF](#)
SUBJECT: ALGERIA: RESPONDING TO ARAB LEAGUE BOYCOTT
REPORTING REQUIREMENTS

REF: STATE 120272

[¶1](#). Summary: Since 1948, Algeria has had no diplomatic, cultural, or direct trade relations with Israel. Israeli products are banned and closely monitored by Customs and Inspectors from the Ministry of Commerce. However, some Israeli products make their way into Algeria, with different brands and trademarks, usually through European suppliers. Algeria does not enforce the Arab League Boycott against Israel, and American firms operating in Algeria have reported no GOA inquiries related to the boycott. End Summary.

ALGERIA'S COOPERATION AND PARTICIPATION IN THE ALB

[¶2](#). Algeria has long had legislation supporting the Arab League Boycott, but it does not enforce that law beyond banning direct exports to and imports from Israel. The government enforces only the primary boycott -- and that haphazardly. Algerian firms can and do readily acquire Israeli products that have been stripped of Israeli markings from intermediaries in Cyprus, Greece, Turkey, or elsewhere. (Note: These tend to be specialized goods such as irrigation and desalination equipment and parts. End Note) There is no office in Algeria to facilitate such indirect trade with Israel.

[¶3](#). There have been calls during each of the U.S. conflicts with Iraq, primarily from the Algerian business community, to observe the boycott. (Comment: These calls only came in during the first few weeks of these conflicts and not, paradoxically, during recent Israeli incursions into Gaza). However, these appeals stemmed more from a protectionist fear of being undersold by Israeli-origin goods than political or religious principle. There have been no such appeals in the last year. In addition, there is no evidence of GOA adherence to the secondary/tertiary aspects of the boycott. For example, GOA and Algerian firms do business with Microsoft, Citibank, Northrop Grumman, and Proctor and Gamble, all of which do business here as well as in Israel. Additionally, the American-Israeli Cooperative Enterprise (a private NGO) categorically states that Algeria does not enforce the secondary boycott as of September 2007.

ALGERIAN REQUESTS FOR U.S. COMPLIANCE

[¶4](#). No U.S. firms report GOA requests that they comply with boycott requirements or provides information regarding such compliance. Algeria has not modified long-standing legislation regulating the Arab League Boycott.

IMPACT ON U.S. BUSINESSES

[¶5](#). Numerous American firms that operate in Algeria have operations in Israel, and we have no record of U.S. firms facing boycott-related obstacles.

LEGISLATION/REGULATIONS COVERING ASPECTS OF THE ALB

¶6. Algerian law contains no specific codifications or references to the Arab League Boycott, and post knows of no GOA public statements on the issue. While the primary boycott is informally recognized by virtue of Algeria's membership in the Arab League, there is no GOA treaty, convention, or legislation mandating conformity with, or participation in, the boycott.

ALB OFFICES AND THE CENTRAL BOYCOTT OFFICE IN DAMASCUS

¶7. Algeria does not maintain a boycott office. There was once a joint boycott enforcement commission made up of staff from the ministries of foreign affairs and commerce that met periodically. However, the commission appears to have become defunct. Contacts at the Ministry of Foreign Affairs cannot recall the last time the commission met and have denied any MFA role in boycott enforcement.

EMBASSY ALB OUTREACH EFFORTS

¶8. Since Algeria does not enforce the boycott, Embassy officials have undertaken no ALB outreach efforts during FY09. BOSSHART